

Q3 2021: Global CEO Perspectives

At DHR, we are globally engaged with Chairman and CEO conversations about effective board governance. The world is quickly changing, and with it, evolving governance can lead to stronger corporate value creation for all stakeholders. In that context, [a new BCG report](#) was recently released based on interviews conducted with 17 board chairs across the dynamic and varied economies of the Asia-Pacific region.

The findings of this report, "[Perspectives on Resilient Leadership from Asia-Pacific Board Chairs](#)," replicate the views of DHR board clients globally. We trust you, too, will benefit from engaging in this discussion. Here, we summarize the key takeaways*:

Leadership Actions to Manage Current Trends

- **Diversify the board.** The broader the set of skills, experiences, and perspectives, the more effective the board. Expanded skills should specifically cover core emerging risks to the company.
- **Look for new and emerging risks.** Technology, climate, supply chain, cybersecurity, and data governance all present "an opportunity for either competitive advantage or failure."
- **Act quickly and decisively.** "The pandemic proved that acting fast and firm trumps acting slow in the hope of getting it exactly right"—not always easy for leaders of big companies in comfortable positions.
- **Interact dynamically.** More frequent, informal communication means the board can help early. Sharing issues proactively—at the start of executive sessions or in real time when events require—also builds trust.
- **Seek a different perspective.** Look beyond the successes of the past for new ideas—often from members of younger generations.
- **Make decisions for all stakeholders.** "Set a true north and hold decision-making integrity as paramount."
- **Back management once decisions are made.** The job of the board is to challenge the CEO and management team and guide the future vision of the organization, but over- or micro-managing is a mistake. Supporting management's decisions builds more confident leadership and sends a crucial message of alignment to the outside world.

"Not surprisingly, the three trends that came up time and again—ESG, digital, and post-COVID changes to the workforce and ways of working—are consistent with what we've been hearing from leadership all year in every part of the world."

Rich Lesser, CEO
Boston Consulting Group

*Excerpts in this newsletter from: "Perspectives on Resilient Leadership from Asia-Pacific Board Chairs," July 26, 2021, By Neeraj Aggarwal, Jeffrey Chua, Patrick Forth, Abheek Singhi, and Karen Allardice, BCG

Q3 2021: Global CEO Perspectives

Get the Facts

Consider these top trends identified by Asia-Pacific (APAC) board chairs and the global significance of their future impact:

“The growing importance of an ESG agenda and company purpose”

“Today, APAC chairs agree that Environmental, Social, and Governance (ESG) is a clear lever for improving long-term performance. This aligns with [BCG research](#) showing significant valuation and margin premiums across certain industries for companies that outperform on ESG.” This research is consistent with DHR client conversations and our corporate performance. ESG has to be part of the company’s ethos, and employees need to feel a sense of ownership in every aspect.

“The digital imperative in a time of accelerating change”

“The goal is no longer to simply digitize internal aspects of an organization. Chairs called out a bigger opportunity arising from collaborating with other entities—supply chains, partners, and even customers—to digitize entire ecosystems.” DHR clients agree successful digital transformations are table stakes for the future competitiveness of incumbent organizations, and the time frames are getting shorter.

“Changing work models and implications for talent”

“Many APAC chairs believe that more flexible work models are here to stay. That change will bring both opportunities and risks, as work moves from being remote by necessity to being [remote by choice](#).” DHR recognizes this major shift in talent needs and client tolerance for a work-from-anywhere model.

Chief Takeaway

As company leaders address the needs of multiple stakeholders, the relationship between CEO and board has become ever more important.

It’s a two-way investment: the CEO thinking carefully about how to best leverage the board, and board members focused on how to best collectively support their CEO.

Now is a good time to consider your board composition and governance relative to long-term corporate strategy and stakeholder value.

At DHR, we stay on top of key trends impacting our clients and their businesses. We strive to keep our customers well informed, connected, and prepared for a future of value creation. Contact us if we can provide additional insight or service to meet your needs.



[Mike Magsig](#)
Managing Partner,
Charleston



[Heather Smith](#)
Partner,
Chicago



[Mary Matthews](#)
Partner,
New York